



# **PLANNING COMMISSION AGENDA REPORT**

VI.1

MEETING DATE: JANUARY 12, 2009

ITEM NUMBER:

**SUBJECT: SIX-MONTH REVIEW OF ZONING APPLICATION ZA-02-55  
SUTRA LOUNGE  
1870 HARBOR BOULEVARD, SUITE A-200**

**DATE: DECEMBER 31, 2008**

**FOR FURTHER INFORMATION CONTACT: MEL LEE, AICP, SENIOR PLANNER  
(714) 754-5611**

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## **PROJECT DESCRIPTION**

A six-month review of Zoning Application ZA-02-55, a minor conditional use permit for Sutra Lounge, a restaurant/nightclub.

## **RECOMMENDATION**

Receive and file.

MEL LEE, AICP  
Senior Planner

KIMBERLY BRANDT, AICP  
Asst. Development Services Director

## **BACKGROUND**

Sutra Lounge ("Sutra") is located on the upper level of Triangle Square shopping center, within the City's downtown redevelopment area. The property is bounded on all sides by major streets and commercial businesses. Sutra occupies an approximately 8,800 square-foot space, formerly occupied by Sfuzzi Restaurant.

Zoning Application ZA-02-55 was approved for Sutra, allowing the following:

- Sale of alcoholic beverages for on-site consumption after 11:00 p.m.;
- Live entertainment; and
- Dancing.

On June 23, 2008, Planning Commission conducted a review of Sutra's zoning application, initiated by staff, and added several conditions of approval to address security and Police issues related to the live entertainment and dancing, as well as bottle service of alcoholic beverages. The status of Sutra's compliance with the conditions are discussed in the next section of this report.

The Planning staff report and meeting minutes for the review of ZA-02-55 can be found on the City website at the links below:

**Report:**

<http://www.ci.costa-mesa.ca.us/council/planning/2008-06-23/062308ZA0255ReviewAddDocs.pdf>

**Minutes:**

[http://www.ci.costa-mesa.ca.us/council/planning/pm\\_080623.pdf](http://www.ci.costa-mesa.ca.us/council/planning/pm_080623.pdf)

## **REVIEW ANALYSIS**

The status of Sutra's compliance with the additional conditions added by the Commission (conditions 12 through 15) are discussed below.

**Condition:**

12. Live entertainment and dancing shall be suspended at the establishment no later than two weeks from the effective date of this resolution, until such time the business owner has demonstrated to the City Manager and Police Chief that the establishment shall operate in compliance with the conditions of approval of the existing public entertainment permit, as stated in the City Manager's letter dated September 25, 2007. The live entertainment and dancing activities shall not recommence until such time the City Manager provides written acknowledgement that the conditions of approval of the public entertainment permit have been met and authorizes the live entertainment and dancing activities. The Planning Commission shall review the minor conditional use permit six months after the live entertainment and dancing activities recommence.

**Status:**

Per the attached letter from the City Manager's office dated July 8, 2008, the Police Department inspected Sutra and determined it was operating in compliance with the conditions of approval. Therefore, Sutra was allowed to continue live entertainment and dancing.

**Condition:**

13. Prior to the recommencement of live entertainment and dancing activities, all management personnel and employees that serve alcoholic beverages shall receive Responsible Beverage Service (RBS) training. Documentation of the RBS training shall be provided to the Development Services Director. In addition, all future management personnel and employees that serve alcoholic beverages shall receive RBS training prior to serving any alcoholic beverages.

**Status:**

Sutra provided proof of RBS training to the Police Department per the City Manager's letter dated July 8, 2008.

**Condition:**

14. The minor conditional use permit may be referred to the Planning Commission for modification or revocation if the conditions of approval have not been complied with; if the use is operated in violation of applicable laws or ordinances; or if in the Development Services Director's opinion, any of the findings upon which the approval was based are no longer applicable.

**Status:**

This is an ongoing condition that will continue to be monitored by City staff and the Police Department.

**Condition:**

15. In respect to the bottle service as outlined in condition of approval number one of the public entertainment permit, the prohibition of said service shall be suspended for 60 days from the effective date of this resolution. After 60 days, the Police Chief and City Manager shall evaluate the effectiveness of the locking cap mechanism for the bottle service. If the Police Chief and City Manager determine that the locking cap mechanism is ineffective, bottle service shall cease immediately. If the locking cap mechanism is deemed to be effective, bottle service may continue with the locking cap mechanism.

**Status:**

A follow-up inspection was conducted by the Police Department on August 22, 2008. Based on video surveillance provided by Sutra, Police determined that the locking cap mechanism for the bottle service was being provided in compliance with the conditions of approval.

The Police Department continues to conduct routine inspections of Sutra and have not reported any other problems related to Sutra's operation since verification of their compliance with the conditions of approval in August 2008, including a private election-night party held in November. Police will also be conducting an inspection during a New Year's Eve party on December 31, 2008.

**CONCLUSION**

The Police Department has determined that, to date, Sutra continues to operate in compliance with the conditions of approval for Zoning Application ZA-02-55.

- Attachments: 1. City Manager letter dated July 8, 2008  
2. Police inspection follow up memo dated August 25, 2008

cc: Deputy City Manager - Dev. Svs. Director  
City Attorney  
Deputy City Attorney  
Greg Palmer, City Prosecutor  
Chief of Police  
Capt. Les Gogerty, Costa Mesa Police  
Lt. Paul Dondero, Costa Mesa Police  
City Engineer  
Fire Protection Analyst  
Staff (4)  
File (2)

Chris Pike  
1599 Superior Avenue, Suite A-1  
Costa Mesa, CA 92627

Sutra Lounge  
1870 Harbor Boulevard, Suite A-200  
Costa Mesa, CA 92628

Greenlaw Partners, LLC  
4750 Von Karman Avenue  
Newport Beach, CA 92660



# CITY OF COSTA MESA

P.O. BOX 1200, CALIFORNIA 92628-1200

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FROM THE OFFICE OF THE CITY MANAGER

July 8, 2008

Chris Pike, Managing Member  
Sutra Lounge  
1870 Harbor Boulevard, Suite A-200  
Costa Mesa, California 92628

**RE: SUTRA LOUNGE COSTA MESA**

Dear Mr. Pike:

This letter has been prepared in follow up to the June 23, 2008 Planning Commission meeting and the inspection conducted by the Police Department on June 26, 2008, both involving Sutra Lounge. As you are aware, the purpose of the inspection was to determine if Sutra is being operated in compliance with the conditions of approval for the public entertainment permit per my letter dated September 25, 2007. The officers inspected the business and were satisfied with the video system as demonstrated, though some adjustments and camera angles are still in order, and the immediate play-back capability for viewing. You provided documentation regarding the security personnel certification and progress towards their guard card requirement, and plans for a follow up inspection were discussed. We also received documentation that your employees had completed the Responsible Beverage Service (RBS) training.

As a result of the above inspection, please consider this letter formal acknowledgement of your compliance with the conditions of approval of the public entertainment permit and the ability to continue to have live entertainment and dancing. As a reminder, per condition of approval number 15 of the minor conditional use permit, bottle service will be re-evaluated by August 22, 2008 (60 days from the date of Planning Commission's approval) to determine the effectiveness of the bottle cap locking mechanism.

Sincerely,

Allan L. Roeder,  
City Manager

/ml:cg

c: Deputy City Manager - Dev. Svs. Director  
City Attorney  
Deputy City Attorney  
Greg Palmer, City Prosecutor  
Chief of Police  
Capt. Les Gogerty, Costa Mesa Police  
Lt. Paul Dondero, Costa Mesa Police  
Mel Lee, Project Planner

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# COSTA MESA POLICE DEPARTMENT

## MEMORANDUM

COPY

TO: Christopher Shawkey, Chief of Police  
Les Gogerty, Captain

FROM: Paul Dondero, Lieutenant

SUBJECT: Sutra Lounge 60-Day follow up inspection

DATE: August 25, 2008

On Friday night, 08-22-08, Sergeants Chamberlin and Makiyama, along with Officer Balsis, conducted a follow up onsite inspection at Sutra Lounge. This as part of a 60-day re-evaluation of conditions imposed on Sutra Lounge for renewal of their permit. The overall re-evaluation covered an assessment of the bottle service, security personnel and uniforms, the new digital video system (as it pertains to the ability of the Sutra staff to make video review available upon request) and its ability to store video footage over a period of 60-days as required.

Sergeant Makiyama reported to me that no issues and/or violations were observed during their inspection. Security personnel were attired as per the permit conditions (polo type shirts clearly identifying the wearer as security). They observed the "security" bottle caps in place (secured) and in use at tables where bottle service was being provided. They requested to see the video system, noting that the system appeared to be functioning properly.

To better evaluate the overall effectiveness of Sutra's new digital video system, I contacted Sutra General Manager, Brittney Ellison, on August 18th. I requested her to provide me with surveillance camera footage from various cameras covering tables where bottle service was provided, cameras covering the entry door to the lounge and cameras covering the hallway to the restroom area. I provided her with random dates and timeframes covering July 3<sup>rd</sup>, July 19<sup>th</sup> and August 15<sup>th</sup>. On Friday, August 22<sup>nd</sup>, Brittney had three DVD's delivered to my attention at the Police Department.

This video review accomplished two primary goals, (1) demonstrating that Sutra's system could retrieve footage for investigative purposes over a designated timeframe and, (2) allowing for an opportunity to potentially observe bottle service being conducted. I later reviewed the DVD's (one for each date/timeframe requested) and found usable footage, date and time stamped, covering the request made to Sutra.

In the video review, I was able to see some bottle service being provided at tables. Those images clearly showed only Sutra serving personnel removing the security bottle cap(s), pouring drinks to patrons at the tables and securing the cap back on the bottle. In the footage reviewed, no patrons were observed attempting to manipulate the caps and the servers seemed attentive to their responsibilities.

Based upon the onsite inspection, correspondence with both Chris Pike and Brittney Ellison and the review of the provided video footage, it is my opinion that Sutra Lounge is currently operating in compliance with permit conditions as specified.



**PAUL DONDERO**  
Lieutenant

# City of Costa Mesa

## Inter Office Memorandum

**TO: PLANNING COMMISSION**

**FROM: MEL LEE, SENIOR PLANNER**

**DATE: JANUARY 7, 2009**

**SUBJECT: SUPPLEMENTAL INFORMATION  
SIX-MONTH REVIEW OF ZONING APPLICATION ZA-02-55  
FOR SUTRA LOUNGE  
PLANNING COMMISSION MEETING OF JANUARY 12, 2009**

This memo has been prepared as follow up to the Police Department's inspection of Sutra Lounge on December 31, 2008, for a New Year's Eve event hosted by Sutra. According to Police, no complaints or calls for service were received for Sutra or the other establishments at Triangle Square that evening. Additionally, no violations of Sutra's conditions of approval, as discussed in the December 31, 2008 Planning staff report, were observed.



MEL LEE, AICP  
Senior Planner



KIMBERLY BRANDT, AICP  
Asst. Development Services Director

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